



Base Morning Technical Report

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(Bloomberg) -- Copper headed for the biggest weekly advance since April — with prices about 5% below the record set last year — as supply disruptions, a weaker US dollar, and optimism about demand supported gains. Three-month futures climbed for a third day to top \$10,500 a ton on the London Metal Exchange, more than 3% higher this week. The rally has been aided by a series of supply setbacks, including Freeport-McMoRan Inc.'s declaration of force majeure at the giant Grasberg mine in Indonesia.

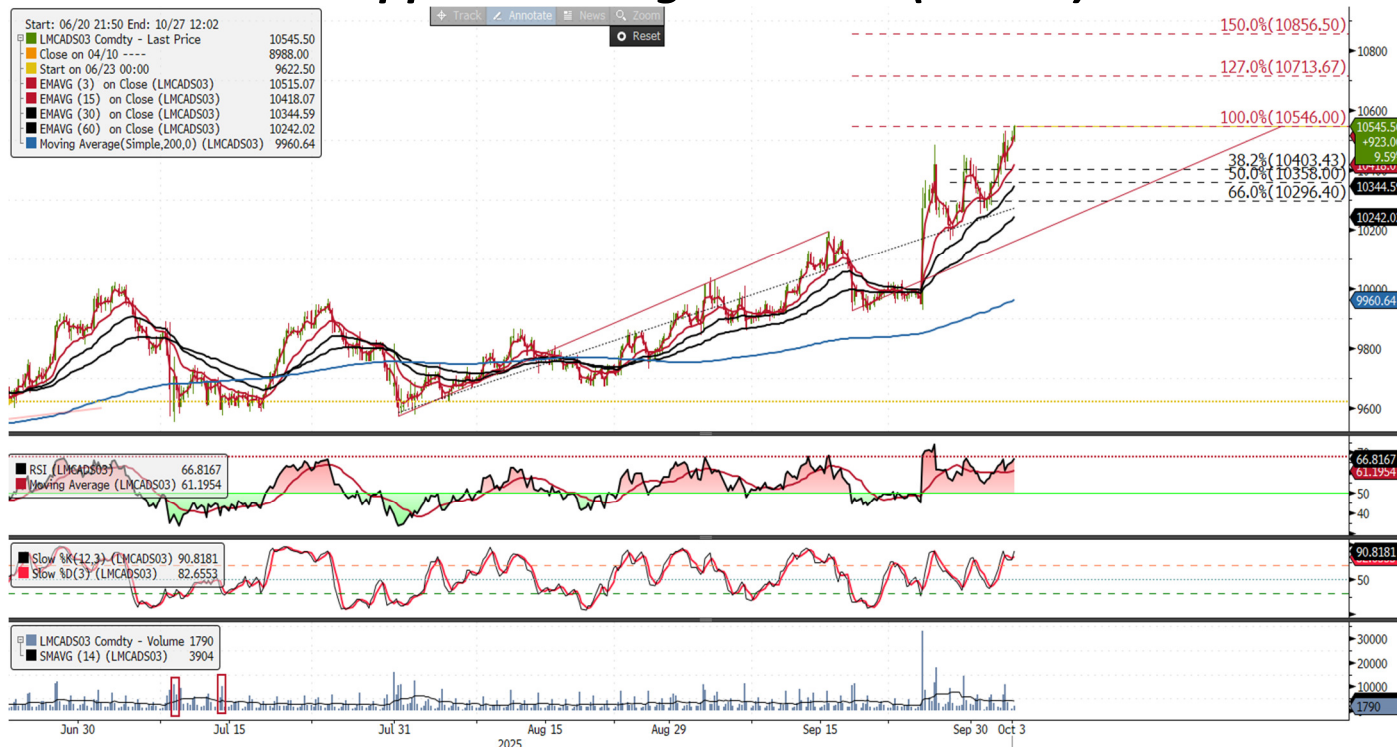
Copper has surged by a fifth this year, despite concerns that the US-led trade war would restrain global growth. The ascent has come as the Federal Reserve resumed cutting interest rates, hurting the dollar and making commodities priced in currency more attractive for non-US buyers. At the same time, there's optimism about demand for the metal for use in the energy transition, as well as in data centers to support artificial intelligence.

Futures rose as much as 0.4% to \$10,531 a ton on the LME, equaling Thursday's intraday peak, which was the highest since May 2024. It traded at \$10,507 at 10:56 a.m. in Singapore.

Other base metals have also done well this week. Zinc climbed by more than 4%, touching the highest level this year on Thursday. Tin, meanwhile, has rallied 7% amid concerns about supplies from Indonesia.

Iron ore futures steadied at \$103.70 a ton in Singapore and are little changed this week. China's financial markets remain closed for a national holiday.

Copper Morning Technical (4-hour)



Support	Resistance	Current Price	Bull	Bear
S1	10,455	R1	105,46	
S2	10,403	R2	107,13	
S3	10,358	R3	108,56	
		10,545.5	RSI above 50	Stochastic overbought

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- The RSI above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point USD 10,455
- Technically bullish yesterday, the higher low above the linear regression line warned that the USD 10,485 fractal high could be tested and broken, whilst the momentum spike on the 24/25th Sep implied that downside moves should be considered as countertrend. However, upside moves that trade to a new high would create a negative divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown.
- The futures have traded to a new high with price now in divergence with the RSI. We are above all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 10,455 with the RSI at or below 60 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,296 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that we have light momentum support; however, price is now in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. The upside moves from the USD 10,165.5 low on the 26/09 only consists of 3-waves, rather than 5; although we are in divergence, there is still a chance that intraday downside moves could be countertrend based on our pattern analysis.

Aluminium Morning Technical (4-hour)



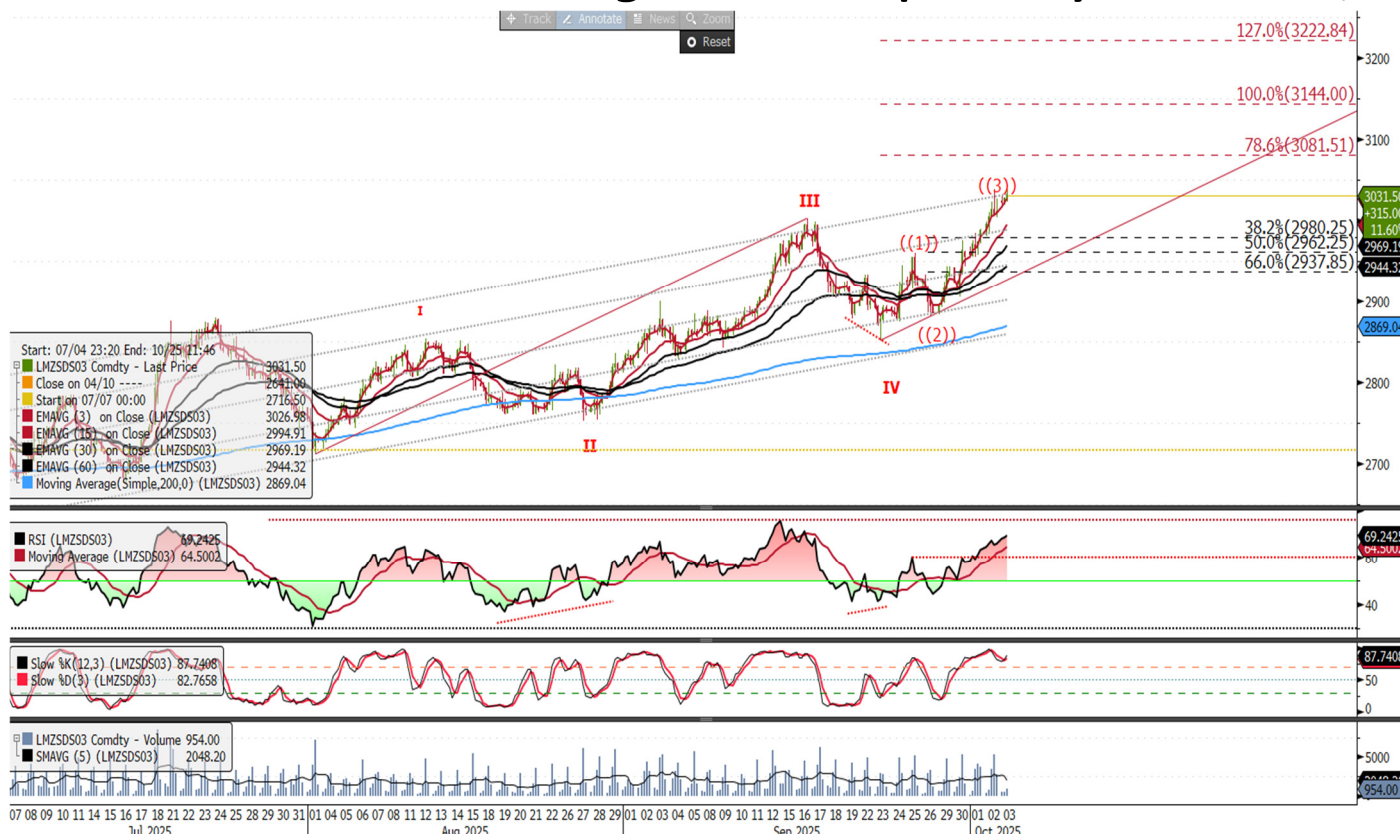
Support		Resistance		Current Price	Bull	Bear
S1	2,654	R1	2,694	2,693	RSI above 50	
S2	2,635	R2	2,699			
S3	2,616	R3	2,720			

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (57)
- Stochastic is below 50
- Price is below the daily pivot point USD 2,694
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, warning resistance levels were vulnerable. However, price is trading on/above the linear regression line (USD 2,695); if we closed and held above this level, then the USD fractal resistance at USD 2,720 would become vulnerable. Conversely, failure to hold above this level would warn that we could see a move lower. Seven of the last eight candles that are trading below the linear line have had small bodies (difference between the open and close of the candle), indicating buy-side pressure was starting to slow. This market was lacking conviction, as it was at an inflection point, emphasizing the importance of the USD 2,695 level.
- The futures closed but failed to hold above the linear regression line (USD 2,697), resulting in price reverting but holding above the EMA support band. The RSI is above 50 but price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 2,694 with the RSI at or above 60 will mean price and momentum are aligned to the buy-side. Downside moves that hold at or above USD 2,633 will support a bull argument, below this level the technical will be back in bearish territory.
- Unchanged on the technical this morning. Having corrected yesterday the upside move this morning means that the futures are testing the linear-regression line (USD 2,697). A close that holds above it will imply momentum is supported, warning the USD 2,720 fractal resistance could be tested and broken. However, as highlighted yesterday, a series of small bodied candles had warned buy-side pressure was decreasing, whilst the upside move failed to hold. Technically, we should say, if we trade above the high of yesterday (USD 2,714), then the USD 2,720 level should be broken. I think, emphasis should still be on the linear line, as there is where we are seeing market reactions. If we close and hold above it, this it should result in the USD 2,714—USD 2,720 levels being broken.

Zinc Morning Technical (4-hour)



	Support	Resistance	Current Price	Bull	Bear
S1	3,013	R1	3,032	RSI above 50	Stochastic overbought
S2	2,980	R2	3,081		
S3	2,962	R3	3,144		

Source Bloomberg

Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (69)
- Stochastic is overbought
- Price is above the daily pivot point USD 3,013
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported; however, the new high meant that the RSI was in divergence dating back to the 15/09. Not a sell signal it warned that we could see a momentum slowdown, which needed to be monitored. We had a confliction with the RSI, although in divergence, we noted that the RSI broke the resistance from the 25/09, implying near-term momentum strength. This warned that there may be one more intraday bull wave within this phase on the lower timeframe Elliott wave cycle, making USD 2,908 the key support to follow. If broken, then the probability of price trading to a new high would start to decrease. The divergence warned that we were vulnerable to a move lower, the momentum break on the 25/09 suggested support could hold in the very near-term.
- The futures continue to move higher with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 3,013 with the RSI at or below 62 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,907 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported; however, price remains in divergence with the RSI. We are trading two standard deviations above the linear regression line, leaving the futures vulnerable to an intraday pullback. Lower timeframe Elliott wave analysis is still suggesting downside moves should be countertrend, making USD 2,937 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease.

Nickel Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	15,275	R1	15,449	15,410	RSI above 50	Stochastic overbought
S2	15,157	R2	15,535			
S3	15,055	R3	15,640			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 15,275
- Bullish with a neutral bias yesterday, the momentum low and the breach in the USD 15,160 support meant we have a note of caution on upside moves. However, below USD 15,150 the RSI would be in divergence with the RSI, warning sell side momentum could slow. The technical was lacking clarity, meaning we were neutral.
- The downside move has failed to hold, resulting in price moving above the USD 15,387 resistance, meaning the technical is now bullish. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 15,275 with the RSI at or below 47.5 will mean price and momentum are aligned to the sell side.
- Technically bullish, the MA on the RSI implies that we have light momentum support. However, the daily 200 period MA is at USD 15,449, meaning we are at a higher timeframe inflection point. The average has held 3 times in recent weeks; If rejected, support level will come under pressure. Conversely, a close that holds above it will support a longer-term bull argument. We maintain a neutral view on the technical, just for different reasons today.

Lead Morning Technical (4-hour)



Support		Resistance		Current Price	Bull	Bear
S1	2,020	R1	2,031	2,027.5	RSI above 50	Stochastic overbought
S2	2,015	R2	2,042			
S3	2,009	R3	2,055			

Synopsis - Intraday

Source Bloomberg

- Price is above the EMA support band (Black EMA's)
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily point USD 2,020
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported. The new high means that the RSI was in divergence, leaving the futures vulnerable to an intraday pullback. However, the RSI resistance break from the 25/09 warned that downside moves should be considered as countertrend in the near-term, making USD 1,997 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease; conversely, if support held, resistance levels should come back under pressure.
- The futures have traded to a high of USD 2,035. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 2,020 with the RSI at or below 54 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 2,000 will support a bull argument, below this level the technical will have a neutral bias.
- The upside moves is struggling to hold whilst price is in divergence with the RSI, warning we are vulnerable to an intraday move lower. However, as highlighted yesterday, the upside breakout on the daily chart is warning that downside moves have the potential to be countertrend, making USD 2,000 the key support to follow. If broken, then the pullback will be considered as deep, suggesting the probability of the futures trading to a new high has started to decrease.

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